

**LMFS – 98 - 28**  
**“Update to The Lignite Marketing Feasibility Study”**

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**PARTICIPANTS**

<u>Sponsor</u>	<u>Cost Share</u>
ND Industrial Commission	\$50,000
Total Project Costs	<hr/> <hr/> \$50,000
<b>Project Schedule - 12 Months</b>	<b>Project Deliverables</b>
Contract Date - 9/30/98	Status Report – 8/28/99 ✓
Start Date – 9/31/98	Status Report – 3/31/99 ✓
Completion Date – 5/15/99	Final Report – 5/15/99 ✓

**OBJECTIVE / STATEMENT OF WORK**

The objective of this study is to provide an update to the “Market Assessment for North Dakota Lignite” report prepared by J.E. Sinor in 1992. Since 1992, several governmental, environmental and economic factors have affected the market for North Dakota lignite. Specific objectives are to provide updated assessments of:

- coal and lignite production in the Powder River Basin and Fort Union coalfields;
- coal transportation in the North Dakota region;
- competitive situation of North Dakota lignite;
- market assessment of baseload electric power generation;
- lignite in synthetic fuels production;
- briquetting and agglomeration technologies; and
- lignite upgrading technologies.

**STATUS**

Numerous factors continue to adversely impact the competitiveness of North Dakota lignite. Production, transportation rates and environmental factors all contribute to place North Dakota lignite in a less favorable competitive position with Powder River Basin subbituminous coal. Consequently, lignite production and electrical generation in North Dakota are being threatened. Factors, such as lignite severance taxes should be re-examined in light of the competitiveness with PRB coal. The final report is summarized and presented in the non-technical brochure, “Energy and Economics: Fueling the Future”.